

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

FLASHPOINT TECHNOLOGY, INC.,	§
Plaintiff,	§
v.	§ C.A. No. 08-139-GMS
AIPTEK, INC., ARGUS CAMERA CO., LLC, BUSHNELL INC., DXG TECHNOLOGY (U.S.A.) INC., DXG TECHNOLOGY CORP., GENERAL ELECTRIC CO., LEICA CAMERA AG, LEICA CAMERA INC., MINOX GMBH, MINOX USA, INC., MUSTEK, INC. USA, MUSTEK, INC., OREGON SCIENTIFIC, INC., POLAROID CORP., RITZ INTERACTIVE, INC., RITZ CAMERA CENTERS, INC., SAKAR INTERNATIONAL, INC., D/B/A DIGITAL CONCEPTS, TABATA U.S.A., INC., D/B/A SEA & SEA, TARGET CORP., VISTAQUEST CORP., VUPOINT SOLUTIONS, INC., WALGREEN CO., and WAL-MART STORES, INC.,	§ JURY TRIAL DEMANDED
Defendants	§

PLAINTIFF'S REPLY TO TARGET CORP.'S COUNTERCLAIMS

Plaintiff FlashPoint Technology, Inc. ("FlashPoint") hereby responds to each paragraph of Target Corp.'s ("Target") Counterclaims as follows:

PARTIES

1. Upon information and belief, admitted.
2. Admitted.

JURISDICTION AND VENUE

3. Admitted that Target purports to state counterclaims for invalidity and non-infringement of the patents-in-suit, and that this Court has subject matter jurisdiction over Target's counterclaims pursuant to 28 U.S.C. §§ 2201-2202, the Patent Law of the United States, 35 U.S.C. §§ 1, *et seq.*, and 28 U.S.C. §§ 1331, 1332, and 1338, but otherwise denied.

{BMF-W0095379.}

4. Admitted.

5. Admitted.

COUNT ONE: DECLARATORY RELIEF REGARDING NON-INFRINGEMENT

6. Admitted that an actual controversy exists between the FlashPoint and Target with respect to Target's infringement of one or more claims of the patents-in-suit, but otherwise denied.

7. Denied.

8. Denied.

COUNT TWO: DECLARATORY RELIEF REGARDING INVALIDITY

9. Admitted.

10. Denied.

11. Denied.

EXCEPTIONAL CASE

12. Denied that this case against Target is an exceptional case under 35 U.S.C. § 285, and denied Target is entitled to attorneys' fees and costs.

JURY DEMAND

13. No response to Paragraph 13 is required.

PRAYER FOR RELIEF

In addition to the relief requested in Plaintiff's Original Complaint, Plaintiff respectfully requests a judgment as follows against Target as follows:

A. That Target takes nothing by its Counterclaims;

B. That the Court award Plaintiff costs and attorneys' fees incurred in defending against these Counterclaims; and

C. Any and all further relief for Plaintiff as the Court may deem just and proper.

JURY DEMAND

Plaintiff demands a trial by jury on all issues.

/s/ Evan O. Williford

Patrick J. Coughlin
Michael J. Dowd
Ray Arun Mandlekar
COUGHLIN STOIA GELLER
RUDMAN & ROBBINS LLP
655 West Broadway, Suite 1900
San Diego, CA 92101
(619) 231-1058

David J. Margules (I.D. No. 2254)
Evan O. Williford (I.D. No. 4162)
BOUCHARD MARGULES & FRIEDLANDER, P.A.
222 Delaware Avenue, Suite 1400
Wilmington, DE 19801
Telephone: (302) 573-3500
dmargules@bmf-law.com
ewilliford@bmf-law.com

Attorneys for Plaintiff Flashpoint Technology, Inc.

John F. Ward
John W. Olivo, Jr.
David M. Hill
Michael J. Zinna
WARD & OLIVO
380 Madison Avenue
New York, NY 10017
(212) 697-6262

Dated: May 20, 2008

CERTIFICATE OF SERVICE

I, Evan O. Williford, hereby certify that on May 20, 2008, I caused to be electronically filed a true and correct copy of the foregoing document – **Plaintiff's Reply to Target Corp.'s Counterclaims** – with the Clerk of Court using CM/ECF which will send notification of such filing to the following local counsel for defendants:

Richard K. Herrmann, Esquire
Morris James LLP
500 Delaware Avenue, Suite 1500
Wilmington, DE 19801
Attorneys for Defendants Bushnell, Inc., and Tabata U.S.A., Inc. d/b/a Sea & Sea and

Steven J. Balick, Esquire
Ashby & Geddes
500 Delaware Avenue
Wilmington, DE 19899
Attorneys for Defendant General Electric Company

Richard L. Horwitz, Esquire
David E. Moore, Esquire
Potter Anderson & Corroon LLP
Hercules Plaza
1313 North Market Street
Wilmington, DE 19801
Attorneys for Defendants Wal-Mart Stores, and Target Corp.

Daniel V. Folt, Esquire
Matthew Neiderman, Esquire
Aimee M. Czachorowski, Esquire
Duane Morris
1100 North Market Street, Suite 1200
Wilmington, DE 19801
Attorneys for Defendant Aiptek, Inc.

Richard D. Kirk, Esquire
The Bayard Firm
222 Delaware Avenue, Suite 900
Wilmington, DE 19801
Attorneys for Defendant Sakar International Inc. d/b/a Digital Concepts

Frederick L. Cottrell, III, Esquire
Anne Shea Gaza, Esquire
Richards Layton & Finger
One Rodney Square
Wilmington, DE 19801
Attorneys for Defendants Leica Camera AG and Leica Camera, Inc. and Mustek, Inc. USA

Candice Toll Aaron, Esquire
Saul Ewing LLP
222 Delaware Avenue, Suite 1200
Wilmington, DE 19801
Attorneys for Defendants Ritz Camera Centers, Inc. and Ritz Interactive, Inc.

Collins J. Seitz, Jr., Esquire
Kevin F. Brady, Esquire
Connolly Bove Lodge & Hutz LLP
1007 N. Orange Street
Wilmington, DE 19801
Attorneys for Defendants Polaroid Corporation

Paul E. Crawford, Esquire
Kevin F. Brady, Esquire
Connolly Bove Lodge & Hutz LLP
1007 N. Orange Street
Wilmington, DE 19801
Attorneys for Defendant Oregon Scientific, Inc.

Francis DiGiovanni, Esquire
Chad S.C. Stover, Esquire
Connolly Bove Lodge & Hutz LLP
1007 N. Orange Street
Wilmington, DE 19801
302-658-9141
Attorneys for Defendants DXG Technology [U.S.A.] Inc. and DXG Technology Corp.

I further certify that on May 20, 2008, I caused a copy of the foregoing document to be served on the following defendants by First Class Mail:

Argus Camera Company LLC
1610 Colonial Parkway
Inverness, IL 60067

Walgreen Co.
200 Wilmot Road
Deerfield, IL 60015

VistaQuest Corporation
6303 Owensmouth Avenue
10th Floor
Woodland Hills, CA 91367

Minox USA Inc.
438 Willow Brook Road
Plainfield, NH 03781

/s/ Evan O. Williford

David J. Margules (I.D. No. 2254)
Evan O. Williford (I.D. No. 4162)
BOUCHARD MARGULES & FRIEDLANDER, P.A.
222 Delaware Avenue, Suite 1400
Wilmington, DE 19801
Telephone: (302) 573-3500
dmargules@bmf-law.com
ewilliford@bmf-law.com
Attorneys for plaintiff Flashpoint Technology, Inc.